

2010 Estimated Production Costs and Returns - Dryland Winter Wheat in Western Colorado  
 Conventional-Tillage, Wheat - Fallow Rotation

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
<b>GROSS RECEIPTS FROM PRODUCTION</b>						
HARD RED WINTER WHEAT	BU	5.60	40.00	224.00		
<b>TOTAL RECEIPTS</b>				<b>224.00</b>	<b>5.60</b>	
<b>DIRECT COSTS</b>						
<b>Operating Preharvest</b>						
SEED	DOLS	7.75	1.00	7.75	0.19	
FERTILIZER	DOLS	26.00	1.00	26.00	0.65	
HERBICIDE	DOLS	10.50	1.00	10.50	0.26	
CUSTOM APPLICATION	DOLS	6.00	1.00	6.00	0.15	
FUEL	DOLS			7.18	0.18	
REPAIR & MAINTENANCE	DOLS			1.90	0.05	
LABOR	DOLS			3.27	0.08	
INTEREST EXPENSE <sup>1</sup>	DOLS			2.50	0.06	
<b>Total Preharvest</b>	DOLS			<b>65.10</b>	<b>1.63</b>	
<b>Operating Harvest</b>						
FUEL	DOLS			3.64	0.09	
REPAIR & MAINTENANCE	DOLS			1.46	0.04	
LABOR	DOLS			0.86	0.02	
HAULING <sup>2</sup>	DOLS			7.20	0.18	
<b>Total Harvest</b>				<b>13.16</b>	<b>0.33</b>	
<b>Total Operating Costs</b>				<b>78.26</b>	<b>1.96</b>	
<b>Property and Ownership Costs</b>						
MACHINERY OWNERSHIP COSTS	DOLS			19.39	0.48	
GENERAL FARM OVERHEAD	DOLS			20.40	0.51	
<b>Total Property and Ownership Costs</b>	DOLS			<b>39.79</b>	<b>0.99</b>	
<b>TOTAL DIRECT COSTS:</b>				<b>118.05</b>	<b>2.95</b>	
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>105.95</b>	<b>2.65</b>	
<b>FACTOR PAYMENTS</b>						
LAND @ 4.00% <sup>3</sup>	DOLS			9.00	0.23	
<b>RETURN TO MANAGEMENT AND RISK</b>	DOLS			<b>96.95</b>	<b>2.42</b>	

<sup>1</sup> Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 8%

<sup>2</sup> Hauling Machinery & Labor Charges = \$0.18/Bushel

<sup>3</sup> Includes allocation of fallow acres in the rotation

**BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)**

		ALTERNATIVE PRICES				
		\$/BU				
		-25%	-10%		+10%	+25%
		\$ 4.20	\$ 5.04	\$ 5.60	\$ 6.16	\$ 7.00
ALTERNATIVE YIELDS	-25%	\$ 7.95	\$ 33.15	\$ 49.95	\$ 66.75	\$ 91.95
	-10%	\$ 33.15	\$ 63.39	\$ 83.55	\$ 103.71	\$ 133.95
BUSHEL	40.0	\$ 49.95	\$ 83.55	\$ 105.95	\$ 128.35	\$ 161.95
	+10%	\$ 66.75	\$ 103.71	\$ 128.35	\$ 152.99	\$ 189.95
	+25%	\$ 91.95	\$ 133.95	\$ 161.95	\$ 189.95	\$ 231.95